GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4141
ANSWERED ON:14.12.2001
FOREIGN INVESTMENT
SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that due to global economic slow down, India has been affected in respect of foreign investment coming to various States in the country;

(b) if so, to what extent; and

(c) the steps taken to overcome such problem ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a), (b) & (c) : The details of Foreign Direct Investment (FDI) inflow during the last three years are as under :

Year	Amount of FDI inflow (Rs. in Crores)	(In million US $)
1998	13,339.84	3,377.17
1999	16,867.79	4,016.10
2000	19,341.74	4,498.07
2001(Jan-Sept)	16,306.47	3,623.66

>From the above it is evident that FDI inflow has not decreased but steadily increased during this period.The FDI realization rate has also increased from 52.22% in 2000 to 72.20% during 2001.

Foreign investment is dependent on several factors such as domestic; economic conditions; policy regime governing foreign investment; world economic trends and strategy of global investors.